DATE Jan 15 2013

HB #6

Testimony in support of City of Libby Flower Creek Dam on behalf of Mayor Doug Roll
Treasure State Endowment Program Grant and RRGL Program Grant

Mr. Chairman and members of the Long Range Planning Committee, my name is Ryan Jones and I am an engineer with Morrison-Maierle. I am here today representing Mayor Doug Roll of Libby. Mayor Roll extends his apologies for being unable to attend today's hearing and has asked me to read the following statement on his behalf:

The City of Libby consists of 1200 households with a median household income of \$24,276. Fifty-six percent of our residents are considered low and moderate income. City of Libby Water System extends beyond city limits and serves over 3,000 people.

The Flower Creek Dam was completed in 1946 for the Pacific Power and Light Company. The City of Libby purchased the dam in 1986. This dam impounds the Upper Flower Creek Reservoir, which continues to serve as a source of high-quality drinking water for the community.

The dam has been inspected approximately every five years since 1980 to comply with the Dam Safety Operating Permit issued by the Montana Division of Natural Resources and Conservation (MT-DNRC).

Recent inspections of the dam have revealed structural deficiencies and the potential for loss of human life and loss of the municipal water source in the event of dam failure. The dam is classified as high-hazard by the MT-DNRC.

The dam has historically leaked reservoir water through the construction joints, resulting in a buildup of calcium carbonate on the downstream face. This buildup is likely due to the seepage and dissolution of the cement paste. Analysis of the concrete indicates a significant loss of strength within the dam structure.

Following an inspection in 2009 and a subsequent material analysis in 2010, the City of Libby began reviewing options to maintain a safe and reliable water supply for the community. The selection of the Flower Creek Dam Replacement Project is the culmination of extensive studies and cost comparisons, as described in the 2012 Preliminary Engineering Report, available at the City of Libby offices. Many other sources of drinking water

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were considered, including groundwater and alternate surface waters. The dam-replacement alternative was vetted by the community during various public meetings beginning in April 2011.

The total estimated project cost is \$8.43 million. That is the equivalent of \$30 per month per household financed over 20 years. This is in addition to what our residents already pay for water and sewer. Our current rates are nearly one and half times the target rate set by the Department of Commerce.

The RRGL and TSEP grants will be used to offset the construction costs of our project—which is to construct a new gravity dam at a cost of over \$8 million. Construction is scheduled to begin this fall and will be completed by the end of 2014.

This funding is critical to Libby and many other Montana communities. I ask that you support House Bill 6 and House Bill 11 with a do pass recommendation. Thank you.

Respectfully Submitted, Mayor Doug Roll, City of Libby.